One step forward, two steps back:
Brazil's impact in aid and international cooperation

Ana Cernov, Human Rights Activist and Independent Consultant, Brazil

Over the past decade, there has been a growing recognition that the space for civil society is shrinking and that restrictions for social movements and organizations are affecting transparency, participation and democracy itself. It is important, however, to note that in the Global South, restrictions have always existed. Corporate power and clientelism, along with the heritage of colonialism, have created barriers to meaningful social and political dialogue that have never fully opened. Many groups, such as LGBTI, Afro-descendants and Indigenous People, have never had access or a voice in shaping policies and presenting demands at both the government level but also with other sectors of civil society.

What is different about this current period is that the threats are no longer limited to the South. Northern groups are struggling with change and unpredictability as much as Southern groups. In both the South and North, people are suffering from the repression of protests and dissent, growing anti-democratic legislation, and elected leaders with little or no respect for human rights guarantees. It is increasingly difficult, almost impossible to secure funding for any resistance to these backlashes and the undermining of democratic values and practices.

On the one hand, the current situation provides opportunities to promote equality and solidarity between groups in the North and the South as both work to address similar threats and support each other in these struggles. However, the fact that funding for development and human rights is being questioned in the North has huge consequences for Southern groups, limiting their capacities to engage in these debates and to advocate for truly democratic processes in their countries.

In the early 2000s, groups in Brazil and throughout Latin America obtained considerable support and engagement to rebuild democracy after their dictatorship periods. In 2010, the Brazilian Association of Non-Governmental Organizations (ABONG using Portuguese initials) prepared a profile of its 270 members,[1] examining, amongst other issues, the extent of international cooperation in its members' budgets. Interestingly, that study confirmed that in 2003, 22.5% of ABONG members had 61% to 80% of their budgets covered by foreign funding and 35.2% had 81% to 100% of their costs paid through international cooperation. Just four years later (2007), the numbers were more balanced: 20.6% of members received 20% of their resources through international cooperation (in 2003, it was only 7%), 20.6% had 21% to 40%; 18.5% had 41% to 60%; 21.7% had 61% to 80%. Only 18.5% received between 81% and 100% from international sources.

In the early 2000s debates on the financial sustainability of civil society focused on the importance of diversifying sources of support to avoid donor dependency. Later, these discussions extended to debates on appropriate funding models. A cycle of economic growth and improvement of social-economic indexes pushed Latin America and the Caribbean to adopt new roles in aid –whereby they became, in some instances, donors themselves but even more importantly, hubs for learning rather than just at the receiving end of resources.

A 2010 survey[2] conducted with 41 international CSOs operating in Brazil indicated that several of these international organizations were preparing to leave or re-adjust their relationship with the country's civil society. Aside from Brazil's high level of economic development the reasoning for this decision included:

- the impact of the 2008-9 economic crisis and consequent reduction of budgets;
- changes in priorities and/or interest in other regions;
- changes in an organization's strategic focus;
- the increased potential for domestic fundraising and possibilities for the self-sustenance of Brazilian civil society.

According to this survey, the amount invested locally by these organizations dropped 50% from US$88 million to approximately US$40 million between 2009 and 2010.

In 2012 Brazil's economy surpassed that of the UK, making it the world's sixth largest economy.[3] Brazil's economic performance cemented the view that a country as wealthy as Brazil should not continue receiving foreign aid. However, aid cuts for the government also meant international cooperation cuts to Brazil's civil society.

Data from 2011 confirms that official development assistance (ODA) dropped by 2.7%. In 2010, Latin America was the recipient of only 7% of ODA in comparison to 37% to Africa and 30% to Asia.[4] This overall trend has been maintained data from 2016 shows that the region received around 7.9% of total ODA resources.

During the 2000s, Brazil used its strong economic momentum to develop policies for external technical and financial cooperation, despite remaining on the OECD list of ODA recipients. From 2011-13 Brazil provided the equivalent of US$ 1.5 billion to support projects in 159 countries. This support included individuals and multilateral organizations, with the latter accounting for 53% of that assistance.[5]

Countless articles and panels have discussed Brazil's adjustment to its changing roles from an aid recipient to recipient and donor, including the path to reach this status as a global player alongside its BRICS peers.[6] Its claim to this space was legitimate with a strong foreign policy based on South-South relations, defense of multilateralism and, domestically, important achievements through social inclusion programs.

But this space, one that Brazil craved, was built on an unstable foundation. It depended on economic success based on high commodities prices, with a significant portion of the funds originating in the infamous Brazilian Economic and Social Development Bank (BNDES). It was strongly linked to the popular and trusted Brazilian leader, President Lula, and there was no real alternative leadership after his term ended. Brazilian civil society harshly criticized Brazil's lack of transparency in terms of the country's foreign aid practices as well as the many contradictions between domestic and international policies. One example of this was seen in the embattled ProSavana project in Mozambique, a triangular initiative with Japan, where the development rhetoric and its practice did not match. The long term program (30 years) was built on the assumption that big agribusiness and family agricultural models could coexist, something that has not been possible in Brazil and has been a historic source of conflicts in rural areas. This unequal and failed model, which causes Brazil to be a leader in the assassination of land rights defenders[7] and use of pesticides,[8] was exported to Mozambique, with consequences as bad as foreseen by the Brazilian and Mozambican civil societies, such as farmer's struggle to keep their land.[9]

While the government tested its new roles in foreign assistance, Brazilian civil society suffered from funding cuts in international cooperation. The strong economic growth produced gains but local philanthropy did not keep pace. A survey conducted by a local think tank stated that while 77% of the Brazilian adult population made donations in 2015, only 46% was in the form of financial donations to an institution.[10] In fact, the estimated amount of donations was equivalent to only 0.23% of the country's GDP. No doubt the country's philanthropic sector has grown over the last decade, but it has not replaced international cooperation, as was expected. As a middle-income country with a booming economy, Brazil still did not pay the costs needed to guarantee that its civil society would continue to protect acquired rights and defend policies to attend to the poorest and most vulnerable in society.

> *"Historically, the Brazilian civil society was structured during the re-democratization process, from the struggles to guarantee social and political rights and against the military dictatorship, that lasted from 1964 to 1985."* (SOARES: 9).

This history has meant that the country's civil society has been supported primarily through international cooperation. Local sources have been, and continue to be, scarce. One alternative sought by local groups was to deliver services through partnerships with the government at the local and national level. Since Brazil is not a country used to open debate and funding of its civil society, the distrust was enormous. This context resulted in unpractical and complicated bureaucratic hurdles that hit harder smaller organizations, with less access to international dialogue. As Soares discusses in "Funding for NGOs" (O Dinheiro das ONGs in its original title in Portuguese), this difficulty demonstrates the contradiction between recognizing the importance of civil society - as Brazil does in its progressive 1988 Constitution – while not providing ways whereby the State can support participation and dialogue with civil society outside of the service delivery model.

Soares' publication, produced by ABONG and the Brazilian Civil Society Observatory,[11] also exposes another important point. In situations where the State is not ready to create mechanisms to support civil society and public opinion is not providing the necessary donations, it does not necessarily follow that businesses will fill the shortfall. In fact, evidence shows that businesses prefer to lead their own projects, as confirmed by a census conducted by Brazilian group GIFE – Group of Institutes, Foundations and Enterprises. Research demonstrated that in 2012 only 30% of the social expenditure by businesses was invested in civil society groups. The remainder, 70%, was used to develop their own projects. These numbers remain approximately the same in the Census of 2016.[12] One theory is that businesses have to justify their social spending, which requires impact measurement, and once a company develops its own initiative, control over it becomes easier.

Funding also contains political challenges. Many have suggested that fundraising through individuals could be the answer to acquire not only resources, but also program supporters, and thus greater protection for civil society. However, this approach is costly because of the structure involved and harder to become successful for causes that are advocacy-focused or political. Individuals in Brazil will support charitable causes and donate time, but tend to back away from rights-based actions. This claim is supported by the numbers from the World Giving Index produced by the UK-based Charities Aid Foundation – which combines data on money donations, volunteer time and help provided to strangers. According to this Index Brazil ranks 75th amid 139 countries overall and 85th when the list focuses on financial giving.[13]

This challenging scenario is not exclusive to Brazil. The same report shows that developed countries ranked in the top 20 most generous nations experienced a decrease in fundraising in 2016. This may be partly due to poor economic conditions, but it can also be a reflection of the increased anti-foreign sentiment felt across EU countries. This sentiment, aligned with the rise of populism, may contribute to Europeans being more reluctant to donate to civil society groups. According to an analysis by the European Parliament national governments are not taking action to revert this trend. Instead they are choosing to support

> *"uncontroversial, development CSOs. (...) In some cases this has helped keep some link to civil society open; in many cases, however, critics say it has inadvertently helped regimes isolate outspoken civil society opponents under the guise of partnering with the EU on development policy. In its high level diplomacy the EU can still be strikingly cautious in confronting regimes engaged in brutal civil society crackdowns. The general direction of EU security policy often undercuts efforts to hold the shrinking space problem at bay,"*[14]

The concept of philanthropy and government aid is still being developed in many countries of the South, especially the kind that supports independent political work to maintain an open civil society. So the non-controversial approach of the EU, its member states and many donors is deeply troubling. This approach has been duplicated in Brazil, particularly since the country's terrible crisis and the unjustified impeachment of President Dilma Rousseff based on false accusations.

In August, 2016 northern governments were quick to recognize Michel Temer as the new president, despite substantial evidence that he had arranged his predecessor's fall in order to orchestrate a neoliberal agenda of reforms that was not endorsed in the election. In 2016, this illegitimate government gained the power to dictate the direction for national policies and the use of ODA to enforce these plans. In that year Brazil received US$674.6 million in aid from Germany, the European Union, France, Norway, Japan, the top five partners respectively, to implement aid programs in education, health, infrastructure, humanitarian programs and other areas.

Commodity prices have not kept up with the early to mid-2000s levels that allowed the country to grow and create programs to reduce poverty and inequality. But that is not the only reason social indicators are decreasing dramatically in a country once considered too wealthy to justify receiving international cooperation support. Beginning with President Rousseff, and intensified by Temer's illegitimate government still in power in 2018, there has been a series of austerity measures to dismantle social guarantees, public policies and spaces for dialogue. In a short period of time, the damage has been enormous, with the potential for even greater impacts as documented by UN and civil society experts, from both Brazil and abroad.

According to a study conducted by the Institute for Socioeconomic Studies (INESC), Oxfam Brazil and the Center for Economic and Social Rights (CESR), the country's austerity measures have led to a sharp decrease in investments in social inclusion and human rights programs in Brazil.[15] This has resulted in a reduction of 83% in youth programs, 76% for food security, 72% for climate change programs, 60% for racial equality. Over the same period expenditures based on foreign debt grew 90% and the refinancing of foreign debt has increased 344%.

According to the study, the poverty reduction and social inclusion achieved by Brazil over the past decade is at risk:

> *"These advances are at imminent risk from a series of harmful and severe austerity measures put in place by the government starting in 2015. While aimed at tackling spiking deficits, these initiatives are deepening socioeconomic inequalities in Brazilian society, with particularly disproportionate impacts on those already disadvantaged. Among the most extreme of these measures, the Constitutional Amendment 95/2016 (EC 95), known as the 'Expenditure Ceiling Act', is particularly far-reaching in its harm to human rights. Coming into force in 2017, this act took the unprecedented step of freezing real public spending for 20 years. By constitutionalizing austerity in this way, any future elected governments without an absolute majority will be prevented from democratically determining the size of human rights investments needed to deal with aging populations and increased financing needs. The UN Independent Expert on Extreme Poverty and Human Rights considered the EC 95 'a radical measure, lacking in all nuance and compassion', arguing that the amendment 'has all the characteristics of a deliberately retrogressive measure' (Alston, 2017). This call reinforced an earlier statement by the Inter-American Commission on Human Rights that the government's turn to harsh austerity measures may well be in violation of its legal obligations (IACHR, 2016). Under international law, states' margin of discretion in responding to economic crises is not absolute. To be in compliance with human rights standards, fiscal consolidation measures must: be temporary, strictly necessary and proportionate; non-discriminatory; take into account all possible alternatives, including tax measures; protect the minimum core content of human rights; and be adopted after the most careful consideration with genuine participation of affected groups and individuals in decision-making processes (CESCR, 2012, 2016)."*[16]

What the Brazilian example shows is that social inclusion achievements are fragile. They require substantial, vigilant protection by governments and civil society. In 2012 Brazil was being celebrated for having the sixth largest economy in the world. In 2014 its name was removed from the UN Hunger Map for the first time. Currently it is battling for its name not to be put back on that map and is dealing with a sharp decline in its social indicators, once celebrated worldwide.

Sadly, this trend is evident throughout Latin America. Over 2.7 million people returned to poverty during the period of 2014-16. A decade ago, foreign aid declared most of the region wealthy enough to see a reduction in partnerships. But without the pressure provided through international partnerships in funding and attached political support, human rights have been compromised by parliaments, especially for the most vulnerable groups: women, LGBTI, Afro-descendants and indigenous peoples. Conversely, fundamentalisms have been strengthened.

With debates on the future of aid and cooperation, it is clear that civil society has an important role to play, as it did in the period of re-democratization following the downfall of the dictatorships. It will not be easy to restore the path of dialogue, participation and influence on public policies that benefit all, not just a small elite. In Brazil, with its size and importance in the region, it is even more vital for civil society to be strengthened and vigilant in order to help the country get back on a track of development that, unlike the boom experienced in the 2000s, is sustainable and lasting.

References

Ana Cernov, "Civil society is not the enemy", *SUR* 26 (2017), accessed July 26, 2018, http://sur.conectas.org/en/civil-society-is-not-the-enemy/

AssociaçãoBrasileira de OrganizaçõesNão-Governamentais (Abong), “CadernosAbong no 17: Bases para um novo pacto de cooperação” (1997), accessed July 26, 2018. http://www.bibliotecadigital.abong.org.br/handle/11465/226

AssociaçãoBrasileira de OrganizaçõesNão-Governamentais (Abong), “CadernosAbong no 26: As ONGs e a solidariedadeinternacional” (1998), accessed July 26, 2018. http://www.bibliotecadigital.abong.org.br/handle/11465/174

CelsoAmorim. “Brazilian foreign policy under President Lula (2003-2010): an overview”. (2010) Revistabrasileira de políticainternacional, v. 53, p. 214-40. Accessed July 29, 2018. http://www.scielo.br/pdf/rbpi/v53nspe/v53nspea13.pdf

Christian Aid UK. “The Scandal of Inequality 2: the multiples faces of inequality in Latin America and the Caribbean.” (2017) accessed July 26, 2018. https://www.christianaid.org.uk/sites/default/files/2017-08/scandal-inequality-2-multiple-faces-inequality-latin-america-caribbean-march-2017_2.pdf

Christian Science Monitor, “Foreign funding dries up for Latin American NGOs”, July 22, 2013, accessed May 10, 2017. https://www.csmonitor.com/World/Americas/2013/0722/Foreign-funding-dries-up-for-Latin-American-NGOs

Devex. “Setting its own course, Brazil foreign aid expands and evolves”, July 2, 2012. Accessed July 29, 2018. https://www.devex.com/news/setting-its-own-course-brazil-foreign-aid-expands-and-evolves-78631

INESC, FIAN Brasil and PlataformaDhescaBrasil. “Oral Statement to the United Nations Human Rights Council 38th regular session”, June 21, 2018. Accessed July 30, 2018.http://www.conectas.org/wp/wp-content/uploads/2018/06/Oral-Statement-%E2%80%93C2A0Interactive-Dialogue-IE-on-extreme-poverty-%E2%80%93C2A021-June-2018.pdf

Institute for Socioeconomic Studies (INESC), Oxfam Brazil and the Center for Economic and Social Rights (CESR). “Factsheet: Brazilś human rights advances imperiled by austerity measures”(2018), accessed July 26, 2018.
http://www.cesr.org/sites/default/files/Brazil%20Austerity%20Factsheet%20English%20FINAL.pdf

IPEA. Mapa das Organizações da Sociedade Civil 2018, accessed July 26 2018.
https://mapaosc.ipea.gov.br/publicacao.html

Just Associates and Fund for Global Human Rights, “Defending Rights in Hostile Contexts: Understanding and Confronting the Crackdown against Activists and Civic Space” (2018), accessed June 23, 2018.
https://justassociates.org/en/defending-rights-hostile-contexts

MainaKiai, “From funding projects to funding struggles: Reimagining the role of donors”, Open Global Rights (2017), accessed July 26, 2018. https://www.opendemocracy.net/openglobalrights/maina-kiai/from-funding-projects-to-funding-struggles-reimagining-role-of-donors

Mesa de Articulación de PlataformasNacionales y RedesRegionales de América Latina y el Caribe. “Estudio Regional sobremecanismos de financiamiento de lasorganizaciones de la sociedad civil en América Latina” (2014), accessed July 26, 2018. http://mesadearticulacion.org/wp-content/uploads/2014/10/Estudio-Mecanismo-Financiamiento.pdf

NicolauSoares, “O Dinheiro das ONGs”, Observatório da Sociedade Civil (2014), accessed July 26, 2018.
http://observatoriosc.org.br/publicacao/o-dinheiro-das-ongs/

TacianaGouveia and Marcelo Daniliauskas. “Abong: Panorama das Associadas”, AssociaçãoBrasileira de OrganizaçõesNão-Governamentais (Abong) (2010), accessed July 26, 2018.http://www.bibliotecadigital.abong.org.br/handle/11465/214

The Brookings Institution, “Executive Summary: Resilience or in decline: Current trends in Latin American democracy”, September 29, 2017, accessed July 29, 2018. https://www.brookings.edu/wp-content/uploads/2018/01/fp_20170112_resilient_decline_trends_latin_american_democracy.pdf

---

[1] For more information on the panorama of Abong affiliates in 2010, see: TacianaGouveia and Marcelo Daniliauskas. “Abong: Panorama das Associadas”, AssociaçãoBrasileira de OrganizaçõesNão-Governamentais (Abong) (2010), accessed July 26, 2018.http://www.bibliotecadigital.abong.org.br/handle/11465/214 (available in Portuguese).

[2]Investigacõessobre a Conjuntura dos Investimentos das OrganizacõesInternacionais no campo social brasileiro no período de 2008-2010 (2010) D3: Dialogo, Direitos e Democracia e InstitutoFontehttp://institutofonte.org.br/sites/default/files/pesquisa_D3.pdf, accessed on July 26, 2018.

[3]https://www.theguardian.com/business/2012/mar/06/brazil-economy-worlds-sixth-largest

[4] Mesa de Articulación :6.

[5] Brazilian Cooperation for International Development http://www.abc.gov.br/imprensa/mostrarConteudo/900

[6] To learn more about the BRICS and international cooperation, see INESC’s publication on the issue, available in Portuguese at: http://www.inesc.org.br/biblioteca/publicacoes/outras-publicacoes/brics-e-cooperacao-para-o-desenvolvimento-i/view.

[7] Global Witness. At What Cost? (2018) https://www.globalwitness.org/en-gb/campaigns/environmental-activists/at-what-cost/ accessed August 12, 2018.

[8] Paulo Prada. Why Brazil has a big appetite for risky pesticides. Reuters (2015)

https://www.reuters.com/investigates/special-report/brazil-pesticides/ accessed August 12, 2018

[9]Enrico Parenti& Stefano Liberti Mozambique's farmers battle to keep land in Nakarari. Al Jazeera (2018)https://www.aljazeera.com/indepth/features/mozambique-farmers-battle-land-nakarari-prosavana-180205085026683.html accessed August 12, 2018.

[10]Institutopara o DesenvolvimentodoInvestimento Social. “PesquisaDoaçãoBrasil 2015” (2016) accessed July 26, 2018. http://idis.org.br/pesquisadoacaobrasil/

[11] For information on the Brazilian Civil Society Observatory (Observatório da Sociedade Civil in its original name in Portuguese), refer to: http://observatoriosc.org.br

[12] To access a summary of the GIFE Census on Social Investment in Brazil, check: https://gife.org.br/censo-2016-keyfacts/cso-capacity-building.html (in English).

[13] Charities Aid Foundation "2017 World Giving Index" https://www.cafonline.org/docs/default-source/about-us-publications/cafworldgivingindex2017_2167a_web_210917.pdf?sfvrsn=ed1dac40_10 accessed on October 26, 2017.

[14]European Parliament's Subcommittee on Human Rights. "Shrinking space for Civil Society: the EU response", April 2017, http://www.europarl.europa.eu/RegData/etudes/STUD/2017/578039/EXPO_STU(2017)578039_EN.pdf. Accessed on October 25, 2017.

[15] INESC et all (2018)

[16] Ibid. 1.